

## RAC Operation Guidelines

### Board Training

Within the State of Texas, all nonprofit organizations are held accountable for the operations of the organization. The Texas Department of State Services, Contract Oversight and Support Section (COS) require each Officer/Board of Directors member to fulfill the following:

- a. Have a complete understanding of the organization's mission and financial position
- b. Attend board meetings and serve actively
- c. Perform long-range planning
- d. Monitor the performance of the executive director
- e. Perform programmatic and financial oversight of the organization
- f. Evaluate the effectiveness of the organization and the board

A board member needs to be familiar with the contract between the nonprofit organization and DSHS because it describes the services to be performed; the standards by which the services will be evaluated; performance measures; the total amount to be paid and the method of payment; the term of the contract; reporting requirements; and requirements of applicable laws and standards.

If the nonprofit organization does not comply with contract requirements or if it has grossly mismanaged funds or if a board or staff member engages in criminal activity, board members may be held personally liable in either a civil or criminal action. This potential liability should inspire board members to prudently monitor the financial affairs of the nonprofit organization and to ensure that the executive director and other responsible organization staff answer question to their satisfaction.

For a nonprofit organization to receive DSHS funding, every officer/board member must complete Contractor Board Training. For this important reason DSHS requires each board member to review “**What Every Non-Profit Board Member Needs to Know**” on-line presentation (<http://www.dshs.state.tx.us/contractor.shtm>), and complete the “**Contractor Board Training Course Report Form**”, and mailed to Contract Oversight and Support, MC 1326, 1100 West 49<sup>th</sup> St., Austin Texas 78756-3199.

In accordance with General Provisions: Article XII, Section 12.01,

***Section 12.01 Board Training*** *If not done so within the preceding two (2) years, the board of directors of Contractor shall review the Department's board training in the format provided by the Department and shall verify in writing to the DSHS Contract Oversight and Support Section that the review took place. Written verification shall be submitted no later than the end of the first quarter of the Contract and shall be in the form required by the Department, except that each*

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*member of the governing board of a Contractor that provides mental health services shall complete the board training review initially and then annually. The training may be viewed through the Contractor Board Training link on the DSHS website at <http://www.dshs.state.tx.us/contractor.shtm>.*

Effective December 2007, all standing Board of Directors of a RAC whose affidavits are on file with the RAC and DSHS, OEMS/TS are not necessarily required to meet this requirement. New board members recognized as such by the RAC's Bylaws, elected and or appointed, must meet this DSHS, COS requirement.

Once a RAC completes and mails required Board Training Course Report Form to COS, a copy should be retained at the RAC office and a copy forwarded to DSHS, OEMS/TS.

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Board Training

**Department of State Health Services (DSHS)  
Board Training Course Report Form**

General Provisions: Article XII, Section 12.01 & 12.02  
<http://www.dshs.state.tx.us/grants/gen-prov.shtm>

Organization:  
Contract Number:

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Effective immediately, a majority of the Board of Directors of said Organization shall review and complete the DSHS Board Training in the format provided below by the Department, or if provided, the format that was included in the renewal packets.

This training and verification shall be completed at least every two (2) years of consecutive funding from the Department. Contractors that are State agencies or units of local government are exempt per Fiscal Year 2008 General Provisions, §1.08(a)(6).

The training and form may be viewed through the Contractor Board Training link at the following DSHS website: <http://www.dshs.state.tx.us/contractor.shtm>. Only one board training is required for all DSHS contract attachments. Contractor may attach additional signature pages, as necessary.

The signed written verification needs to be sent to the DSHS Contract Oversight and Support Section address noted in the footer. The form needs to be in our office no later than the end of the first quarter of the contract term or before.

☐ Yes ☐ No

A majority of the board members have reviewed the board training in the preceding two years.

As a board member of the above named organization, by my signature I certify that I have viewed the board training.

<u>Print Name</u>	<u>Signature</u>	<u>Date</u>
_____	_____	_____
_____	_____	_____
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_____	_____	_____
_____	_____	_____

Contract Oversight and Support, MC 1326, 1100 West 49<sup>th</sup> St., Austin Texas 78756-3199

COS #EF-107-12790